

Town of Los Altos Hills

City Council Regular Meeting Minutes

Thursday, June 17, 2010

Council Chambers, 26379 Fremont Road

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Mayor Kerr called the City Council Regular Meeting to order at 7:05 p.m. in the Council Chambers at Town Hall.

Present: Mayor Breene Kerr, Mayor Pro Tem Rich Larsen, Councilmember Jean Mordo, Councilmember Ginger Summit and Councilmember Dean Warshawsky

Absent: None

Staff: City Manager Carl Cahill, Planning Director Debbie Pedro, Associate Planner Brian Froelich, Assistant Planner Nicole Horvitz, City Engineer/Public Works Director Richard Chiu, Finance Director Nick Pegueros, City Attorney Steve Mattas, and City Clerk Karen Jost

APPOINTMENTS AND PRESENTATIONS

1. Certificate of Appreciation – Paul and Ruby Callary, Five Paw Bakery

Mayor Breene Kerr, on behalf of the City Council, presented a Certificate of Appreciation to Paul and Ruby Callary. He thanked them for their ongoing support of the Town's Parks and Recreation Department's annual Hoppin' Hounds fundraising event. The Callarys were instrumental in bringing the concept to the Town and have volunteered numerous hours and baked over 14,000 biscuits for the four-legged participants of the annual "hunt" in Byrne Preserve that benefits Palo Alto Animal Services.

2. Administration of Oath to Community Emergency Response Team (CERT)

Public Safety Officer Steven Garcia introduced the CERT volunteers. He advised the City Council that the 26 volunteers in attendance had recently completed the emergency and disaster training program funded by the Los Altos Hills County Fire District (LAHCFD).

The City Clerk administered the Oath of Allegiance to the new CERT members. Council thanked them for their volunteer commitment to the program and service to the community.

3. Appointments to Committees and Outside Agencies

Standing Pathways Committee:

Mayor Kerr recused himself from consideration of this item and stepped down from the dais.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Summit and passed unanimously to appoint Breene Kerr to the Standing Pathways Committee for a term of four years. Kerr's term as a resident voting member will become effective as of the first day he is no longer a City Council member. The appointment will ensure that Kerr can continue as the Town's representative on the VTA Bicycle and Pedestrian Advisory Committee for the full two years of his term.

Los Altos Library Commission

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Larsen and passed unanimously to appoint resident Cathie Perga to the Los Altos Library Commission. Perga's term of appointment includes the remaining six months of retiring member, resident Jim Lai's term and a full four year term to begin in January 2011.

4. Appointments to the Planning Commission

Council had before them applications from current Planning Commissioners John Harpootlian and Richard Partridge for re-appointment to the Commission. The City Clerk advised Council that no additional applications had been received in her office by the end of business day (June 17, 2010).

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Larsen and passed unanimously to appoint John Harpootlian and Richard Partridge to the Planning Commission for terms of four years.

CONSENT CALENDAR

Item Removed: Agenda Item #11 (Councilmember Summit)

MOTION SECONDED AND CARRIED: Moved by Larsen, seconded by Summit and passed unanimously to approve the remainder of the consent calendar; specifically:

5. Approval of Meeting Minutes: City Council Special Meeting – May 13, 2010
6. Review of Disbursements: 5/1/10 – 5/31/10 \$456,903.42
7. Acceptance of Dedication of Right-Of-Way: Lands of Wong, 12362 Priscilla Lane (Staff: R. Chiu) Resolution No. 24-10
8. Rejection of Claim – Cameron Zokaei

9. Notification of Fast Track Approval: Lands of Doty, 14190 Amherst Court; (File #24-10-ZP-SD-GD) A request for a Site Development Permit for a 1,440 square foot single story addition and remodel to the residence (Maximum height: 20'9") and secondary dwelling unit and a new cabana and swimming pool. CEQA Review: Categorical Exemption per Section 15303 (a) & (e)
10. Adoption of an Ordinance Amending Los Altos Hills Municipal Code Title 12 Chapter 1 "Parks and Recreation" Section 12-1.03 "Byrne Preserve" (Ordinance 519) (SECOND READING)(Staff: S. Garcia)

Item Removed:

11. Authorization to submit comment letter regarding Santa Clara County's proposed amendment to land use policies of urban unincorporated areas. (Staff: D. Pedro)

Councilmember Summit requested clarification on the agenda item. Planning Director Debbie Pedro explained that the Santa Clara County Board of Supervisors was considering an amendment to the County's long-standing land use policies which require allowable uses and densities of urban unincorporated areas to be consistent with the land use and density policies of the adjacent city's general plan. The proposal would allow individual property owners in unincorporated county areas to apply for and obtain a change in the property's land use or zoning designation. Staff was requesting authorization to submit a comment letter opposing the amendment and citing the Town's support for the current County policies. Council had a copy of the draft comment letter in their packet.

OPENED PUBLIC COMMENT

Terry Szewczyk, Civil Engineer, commented that his client had requested the amendment for his project in Saratoga. He was seeking a more favorable zoning designation from the County.

CLOSED PUBLIC COMMENT

MOTION SECONDED AND CARRIED: Moved by Summit, seconded by Warshawsky and passed unanimously to authorize staff to submit the comment letter to the Board of Supervisors regarding the proposed General Plan Amendment.

PRESENTATIONS FROM THE FLOOR

No public comments.

PUBLIC HEARINGS

12. Consideration of Proposed FY2010-2011 Operating and Capital Improvement Budget (Staff: N. Pegueros)

Finance Director Nick Pegueros introduced the item to Council. The proposed budget had been presented at a capital planning study session of the City Council on May 13,

2010 and a joint study session of the City Council and Finance and Investment Committee on May 20, 2010. The proposed budget before the City Council had been modified to incorporate feedback received in the two study sessions.

Pegueros proceeded with a PowerPoint presentation. The presentation included a review of the 2010-11 key revenue assumptions and expense assumptions; a pie chart identifying the key components of the \$10.5 million proposed budget; and a spreadsheet of the overall proposed budget that reflected the major funds current balances and projected balances at the end of the 2011 budget. Pegueros noted that in addition to the funds shown on the spreadsheet, the City Council had designated \$1.6 million in emergency reserves.

Pegueros reviewed the compensation trend for salaries and benefits. It was noted that no cost of living salary adjustment had been included in the proposed budget and benefits would be maintained at their current levels.

Additional presentation components included: a graph of the “7-year Infrastructure Investment” plan that reflected spending on undergrounding, sewer, streets, drainage, Westwind, pathways and facilities from FY’05 – FY’11 and a list of the 2010-11 capital improvement projects and their respective proposed budgets.

In addition to the presentation, Pegueros had prepared a response to comments from Finance and Investment Committee Chair Roddy Sloss regarding the proposed budget. Council had the response before them on the dais.

OPENED PUBLIC HEARING

No Public Comments.

CLOSED PUBLIC HEARING

Council discussion ensued. It was noted that the proposed budget had been reviewed by the Council in multiple public meetings. They thanked Finance Director Pegueros for his informative presentation.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Summit and passed unanimously to approve the Fiscal Year 2010-11 Operating and Capital Improvement Program Budgets. Resolution No. 25-10

13. Consideration of Appropriation for Citizens’ Option for Public Safety Fund (COPS) (Staff: N. Pegueros)

Finance Director Nick Pegueros introduced the item to the City Council. Council had before them the proposed budget for the Citizen’s Option for Public Safety (COPS) Fund for the fiscal year 2010-11. Revenue for the COPS fund is allocated by the State of California as part of their annual budget process. The State is expected to provide the Town with the minimum grant available to local agencies, \$100,000. In the event the grant award differs from the projection, staff would return with an amended budget. The funding enables the Town to hire a Public Safety Officer. In addition to the allocation for

personnel, the budget included funding for professional services, contract services, and supplies and operations.

OPENED PUBLIC HEARING

No public comments.

CLOSED PUBLIC HEARING

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Larsen and passed unanimously to approve appropriations for the COPS Fund for Fiscal Year 2010-11. Resolution No. 26-10

14. Introduction of an Ordinance Amendment to Title 10, Chapter 2, Article 8 of the Los Altos Hills Municipal Code Establishing a Water Efficient Landscape Ordinance CEQA review: Categorical Exemption per 15307 and 15378(b)(2) (Staff: D. Pedro)

Associate Planner Brian Froelich introduced the item to the City Council. In 2006, the State of California revised the 1990 Water Conservation in Landscaping Act (AB 1881) and required the Department of Water Resources (DWR) to update the State Model Water Efficient Landscape Ordinance. The updated Model Ordinance contains several new landscape and irrigation design requirements. All California local government agencies are required to adopt the Model Ordinance or develop an alternative local ordinance that is at least as effective in reducing water consumption. If local agencies take no action, the DWR Model Ordinance automatically becomes effective in January 2010 by statute.

Froelich summarized the efforts of the Town to draft a Water Efficient Landscape Ordinance (local). In February 2009, the City Council formed a Standing Water Conservation Committee to address the requirements of AB 1881. The Committee has developed an alternative ordinance that is easier to interpret and administer. The Planning Commission had reviewed the draft ordinance in May and June of this year and recommended City Council adoption of the draft ordinance by a 3-2 vote with Commissioners Clow and Abraham registering the dissenting votes.

Froelich provided an overview of the proposed ordinance. The ordinance would only be applicable to newly installed landscapes with areas greater than 5,000 square feet associated with site development applications for new residences and major additions. The additional submittal requirements in conjunction with the Town's current required landscape screening plan included: an irrigation plan for the project site; calculations of the site's Parcel Water Budget (maximum allowable use) and estimated total water use; landscape plans prepared by a California licensed Landscape Architect; and certification of installation by a qualified professional.

Froelich reviewed the state's formula for calculating water use and the alternative formula proposed by the Town's Water Conservation Committee. The State's formula for the maximum allowable water allowance (MAWA) required a calculation with the landscaped area determined by a landscape professional. The alternative formula

proposed by the Water Conservation Committee simplified the calculation and used the net acreage of the site minus the maximum development area (MDA) and open space conservation area (OSC) to determine the "Parcel Water Budget" (PWB) and could be calculated by the property owner. The Water Conservation Factor component of the formula could be amended from the State Formula of "1.0" to a lower water consumption number, i.e. the Water Conservation Committee had recommended a factor of 0.6 or 60% of the State formula.

Froelich clarified that pursuant to the State's Model Ordinance, local authorities bore the responsibility of enforcement. Enforcement of the Town's proposed ordinance was coupled to the Town's current Landscape Maintenance Deposit requirement and would be achieved through a review of actual water use, two years after the project's completion. The Town typically requires a landscape deposit of \$5,000. After the conclusion of a one year grace period, the Town would review the property's water bills for the second year and compare the actual water use with the site's established Parcel Water Budget. If the water use exceeded the PWB, the deposit would be held for an additional year. The same audit would be performed at the conclusion of the additional year and the deposit would be forfeited if the water use still exceeded the PWB.

Froelich offered that the State's Model Ordinance was paper intensive and expert dependent and would increase costs for the applicants and lengthen project timelines. The Planning Commission and Standing Water Conservation Committee had made efforts to simplify the local ordinance. The local ordinance required applicants to prepare the same basic plans and documents and enforced the same water usage standards as the Model Ordinance but eliminated several requirements, including: installation of a separate water meter; required soil management report prepared by qualified professional; irrigation scheduling prepared by qualified professional; and an irrigation audit prepared by qualified professional.

Froelich reviewed the Planning Commission's recommended changes to the draft ordinance. Amendments included: the removal of the requirement for a final landscape inspection prior to occupancy of a new residence and the requirement that the landscape architect make a statement of annual water cost on the cover of the plans based on current rates. Additionally, the Planning Commission was recommending that applicants be required to prepare landscape and irrigation plans demonstrating a maximum water usage of 80% of the Parcel Water Budget. Enforcement would remain applicable only if the actual water use exceeded the Parcel Water Budget (100%). It was noted that the Water Conservation Committee had recommended a factor of 0.6 (Water Conservation Factor).

Councilmember Mordo, Council Liaison to the Standing Water Conservation Committee, explained that the Committee's recommendation (Water Conservation Factor 0.6) had been an effort to improve the Town's water use. He noted that Purissima Hills Water District which serves approximately two-thirds of the Town's residents was currently 40% over their water allocation. Compliance with the State Model Ordinance was 1.0. Mordo noted that PHWD had sent a letter to the Chair of the Standing Water Conservation Committee stating that the Board of Directors supported a water conservation factor of 1.0 in compliance with the State Formula. PHWD offered that their water supply should not be a factor for the Town adopting a water conservation ordinance. The letter was included in the Council packet.

John Harpootlian, Chair Standing Water Conservation Committee, explained that the current water usage of a Town resident was approximately just under 500 units per year. The proposed Town ordinance using the WCC recommended Water Conservation Factor of 0.6 in the formula, guaranteed an allocation of approximately 425 units per year. Using the State formula, a household would be allocated 850 units per year or approximately twice the average use of water per Los Altos Hills household.

Council discussion ensued. Councilmember Warshawsky concurred that water conservation was needed; however, he did not support the use of residents' water bills for enforcement of the ordinance. Warshawsky believed it was an invasion of privacy. Councilmember Mordo offered that the draft ordinance was not ideal but it was the best that could be adopted at this time. It would provide a framework for water conservation and could be amended at a later date after an appropriate amount of time had passed to judge its effectiveness. Mordo noted that additional staff would be required to implement the State's Model Ordinance. Councilmember Summit commented that as a member of the Santa Clara Valley Water District's Lower Peninsula Flood Control Advisory Committee (Council representative), she had been tasked with reviewing AB 1881 local jurisdiction compliance ordinances. She concurred that the State's Model Ordinance was invasive, prescriptive and included restrictive components. It required professional reviews during different phases of the landscaping process. Additionally, the ordinance could prove to be burdensome and very expensive. Summit suggested that using 1.0 as the water conservation factor for calculating the Parcel Water Budget defeated the concept of water conservation and she supported use of a lower factor.

Councilmember Mordo requested clarification on the presentation chart that compared Water Parcel Budgets (PWB) on a lot with a 5% slope and a lot with a 25% slope. Froelich explained that a one acre lot with 25% slope had a reduced MDA and would have more allowable annual water units using the PWB formula. Mordo suggested that this was a problem with the proposed formula. He strongly favored adding the Lot Unit Factor (LUF) as a component to the formula calculation. Mordo did not believe lots with slopes should have more water than a flat lot. It was noted that the Planning Commission did not support inclusion of the LUF in the formula and had removed it. Warshawsky noted that the lot with slope would have less development on the site and most likely more landscaping for erosion control.

OPENED PUBLIC HEARING

John Radford, resident, commented that Town residents were served by two different water purveyors; California Water Service Company ("for-profit" company) and Purissima Hills Water District (PHWD) ("not-for-profit" company). He questioned the higher rates of PHWD in comparison to the other provider and their alarming pace of escalation of water rates. Radford noted that the "for-profit" company was focusing on water conservation measures. Radford acknowledged that the most recent rate increase had not targeted the higher water users but impacted the middle users the most. He encouraged the City Council to look beyond the draft ordinance and get involved with the water providers to ensure that they are providing fair competitive rates balanced with water conservation measures.

David Edwards, non-resident, Green Building contractor, commented that Town residents were using approximately 3 times more than a normal household. He suggested that water conservation was the responsibility of the City Council.

Eric Clow, resident, Planning Commissioner, offered that lots with steep slopes required the additional water to assist in the prevention of erosion. He supported the formula as presented without the inclusion of LUF.

Brian Holtz, resident, Purissima Hills Water District Board member, addressed Council. Holtz supported passage of the draft ordinance. He noted that the Standing Water Conservation Committee's draft ordinance was a framework and it was the responsibility of the Council to determine the appropriate water conservation factor. Holtz noted that the draft ordinance before Council rejects the onerous factors of the Model Ordinance and could be amended after the Town had monitored the program and staff had the opportunity to judge its enforcement and effectiveness.

Bob Anderson, resident, Purissima Hills Water District Board member, BOSCA Board member, offered that the PHWD Board was of the opinion that it was not within their purview to set the water conservation factor but the jurisdiction of the City Council. He provided an update on their efforts to purchase additional water.

Allan Epstein, resident, commented that the draft ordinance was not about water conservation and reduction of water usage. He noted that the ordinance was not applicable to current residents but would only affect new residents and had been drafted without representation of those individuals that would be the most affected by the requirements. Epstein suggested that the Town would be better served by focusing on their own use of water on Town properties (Little League fields) and high water usage residents. He favored using 1.0 as the Water Conservation Factor and did not support a more restrictive local ordinance beyond the State requirement until every resident was required to meet a water conservation standard.

Barbara Goodrich, resident, Bear Valley Water District Board Member, responded to Mayor Pro Tem Larsen's inquiry about what would happen if the Town was to take no action relative to AB 1881. She offered that there was no enforcement mechanism in place at the State level to monitor local jurisdictions. Goodrich opposed the draft ordinance and suggested that it went beyond the State's Model Ordinance and placed more demands on Town residents. The State was asking for efficiency and the Town's ordinance required the forfeiture of deposits, (\$5,000) as a penalty. She supported the reasons identified in the letter from PHWD for the use of 1.0 as the Water Conservation Factor.

CLOSED PUBLIC HEARING

Council Discussion:

Councilmember Mordo noted that there were two key issues before Council. First, the Town was required to comply with AB 1881 and adopt a local Water Efficiency Ordinance and second, the Town needed to address water conservation. He questioned if the Council wanted to find resolutions for both matters with the draft ordinance. Mordo noted that the Council would be in compliance with the State requirement by using a

Water Conservation Factor of 1.0. However, if the Council wanted to achieve a reduction in water usage, they could use a lower number for the Water Conservation Factor to determine the Parcel Water Budget. He offered that he could support the use of 0.6 as a Water Conservation Factor if the requirement was applicable to all residents. He supported the inclusion of the LUF in the formula.

Mayor Pro Tem Larsen offered that he had some skepticism regarding the ordinance but supported having a framework in place that could be adjusted after its effectiveness had been tested. In its initial phase, he supported using 1.0 as the Water Conservation Factor.

Councilmember Summit commented that she believed the Council should move forward with an ordinance. The State had been advised that the Town would be in compliance with AB 1881 and was drafting a local ordinance for the Town. She noted that the Town's proposed ordinance was much simpler and less burdensome than the State's Model Ordinance. She supported using 0.8 as the Water Conservation Factor with the LUF added into the formula. The Water Conservation Factor could be amended at a later date.

Councilmember Warshawsky expressed his frustration with Sacramento's dictate given that the biggest water users were not affected by the legislation. It was noted that Sacramento residents do not have water meters. He concurred that water conservation was a noble cause but that the State's ordinance did not address the major issue. He suggested that it would be appropriate to move at a slow pace with the Town's requirements to have an opportunity to evaluate the ordinance.

Mayor Kerr suggested that there was a public interest in having reasonable legislation for water use in Los Altos Hills. The Town's draft ordinance reduces the number of consultants and the use of "water police". He supported adoption of the ordinance as a framework for water conservation. Kerr noted that he could support use of 0.6 or 0.7 as the Water Conservation Factor.

Councilmember Mordo stated he could support 1.0 as a Water Conservation Factor with the addition of LUF in the formula calculation. He noted that the Ordinance only affected a small minority of Town residents (new residences) and he suggested moving forward in the near future on developing a water conservation initiative that would be applicable to all residents. Mordo suggested that the public hearing be continued to the next meeting to allow staff an opportunity to provide additional information to the City Council on the proposed ordinance. He requested a report that addressed the Pros and Cons of adding the LUF to the Formula using 1.0 as the Water Conservation Factor.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Larsen and passed unanimously to continue the public hearing item for further review to the July 15, 2010 regular City Council meeting.

COUNCIL RECESSED: 9:25 P.M.

COUNCIL RECONVENED TO OPEN MEETING: 9:35 P.M.

15. LANDS OF NASHASHIBI, 28008 Laura Court; File #114-09-ZP-SD-GD; Appeal of the Planning Commission's Decision to approve a Site Development Permit for a

two story new residence with a basement (maximum height: 30 feet), a bunker, and swimming pool/spa. The proposal also includes the removal of one (1) heritage oak tree and a Grading Policy Exception. CONTINUED FROM THE FEBRUARY 18, 2010 CITY COUNCIL MEETING. CEQA Review: Categorical Exemption per Section 15303 (a) & (e) (Staff: D. Pedro).

Planning Director Debbie Pedro introduced the item to the City Council. At their January

7, 2010 meeting, the Planning Commission by a 3-2 vote, approved the site development permit for Lands of Nashashibi. Subsequent to the Planning Commission's action, Councilmember Mordo appealed their decision. The City Council reviewed the project on February 8, 2010 and continued the project with direction to the applicant to consider the following: revise the plans to substantially conform with the Town's Grading Policy; modify the house design to minimize the three story façade; and incorporate green building features into the project.

Pedro noted that revised plans did not include any substantial changes in the building design but the applicant had sited the new residence approximately 18 feet closer to the southern property line and rotated the building by 3 degrees. As a result, the amount of site grading had been reduced.

Pedro proceeded with a PowerPoint presentation that included: a side by side comparison of the original site plan and the revised site plan; original grading plan and revised grading plan; a chart that compared the grading required with original and revised plans and reflected the reduction in the area that required grading, the chart also included the Town's Grading Policy; original building sections and revised building sections; a revised site plan that showed the applicant's proposal to mitigate the house's three story façade with the addition of a 5 foot planter in front of the house; and a chart of the house's green building features. The applicant was voluntarily targeting to achieve the LEED gold certification at 95 points.

Pedro reviewed correspondence that had been received from neighbors citing their concerns with the project. The applicant had agreed to install landscape screening immediately after the site was graded for construction to address the neighbors' concerns. Staff had also received correspondence regarding the proposed pathway. Pedro shared a slide of the Master Path Map. The pathway was shown on the approved Master Path Map and identified as an important connector between Laura Court and La Loma Drive. It was noted that the proposed pathway was a required Condition of Approval of the project.

Council Discussion:

Councilmember Mordo questioned if the revised plan had met the direction of the City Council to substantially comply with the Town's Grading Policy. Planning Director Pedro noted that the applicant had made an effort to reduce the amount of grading.

Pedro shared a chart of previously approved Grading Policy Exceptions. She noted that each exception is reviewed and considered on an individual basis.

OPENED PUBLIC HEARING

Applicant's Representative:

Nasser Kadourhe, spoke on behalf of the applicant. He thanked the City Council for the opportunity to revisit their plans and to join the Los Altos Hills community. Kadourhe noted that his Uncle looked forward to residing in the home with his extended family. He spoke to their efforts to meet the Council's direction and their ongoing and successful dialogue with the staff. Kadourhe summarized the project's revisions. He noted that the plans now reflect the natural grade and did not include any "illegal" fill. The applicant had reduced the amount of grading for the project to 3,000 cubic yards.

Chip Nilsen, project architect, offered that the current plan calls for less grading than the previously approved project. He noted that the site presented a hardship and the illegal fill that had occurred at the time of the demolition was primarily located in the areas where their exceptions were sited.

Kadourhe offered that they would be compliant with the Pathway requirement. Additionally, they were voluntarily committing to making the residence a green building. They were committing on the record to achieving LEED gold certification for the new residence.

David Edwards, Green Building contractor, addressed Council. He clarified that he had not been hired to build the new residence but was a consultant that worked with the client to analysis the plans and identify what green building components would be potentially available for the project. He provided a brief resume of his experience and shared photos of several of his residential projects. Edwards reviewed the LEED certification process and commented that in his opinion the home could meet the voluntary commitment.

Councilmember Summit expressed her concern for the three story façade of the residence. She noted that this had been a concern expressed by the neighbors and she did not see any change to the design that altered the appearance. Kadourhe, applicant's representative and Chip Nilsen, applicant's architect, reviewed a slide of the revised elevation with Council and suggested that their modification (addition of a 5 foot planter) reduced the three story appearance of the home's design. He added that the home had been shifted and a landscape screening plan had been submitted that would be installed immediately after the grading. They suggested that the visual impact of the new residence to the neighbor (Kumar) had been greatly mitigated.

Terry Szewczyk, applicant's civil engineer, addressed the City Council. He distributed a packet of plans that included the different iterations of grading for the site. The packet included the previously approved 2000 site development permit for the property and grading plans for the Nashashibi project. He noted that the amount of grading required for the project had been reduced from their initial plans. Szewczyk offered that not being able to use the Cotton Shires fill information presented a hardship to the project.

City Engineer Richard Chiu clarified that the latest calculations used the existing grade on the site. Planning Director Pedro explained that the Town's Soils Geotechnical consultants, Cotton Shires and Associates, had confirmed that there was some fill on the site but not to the amount that was being represented by the applicants. Several of the

areas where the exception was being sought, calculations were from the natural grade (existing grade).

Kadourhe advised the Council that to alleviate their neighbor's concerns regarding potential damage to Laura Court (road) they were committed to repairing any damage to Laura Court that was a result of the project's construction.

Public Comments:

Ray Collins, resident, Planning Commissioner explained that she had voted against approval of the project. She clarified that Grading Policy exceptions were granted when an applicant could prove a hardship with the site or requested the grading exception to build the house into the hillside. However; she believed the hardship for this application was design driven and the proposed home was too large for the lot. She believed there was an appearance that the applicant was buying their grading exception with LEED points.

Craig Lytle, Laura Court, commented that his primary concern with the project was the impact of the new home on the existing drainage issues from the property that affected his property. He appreciated the drainage mitigation measures that had been included in the project to address the issue. Lytle added that he was also concerned that the current design of the home, with the three story façade, could set a precedent for future homes in Town.

Devendra Kumar, Laura Court, commented that the façade of the home had been minimally been changed. He believed his privacy would be greatly impacted by the project. Kumar did not believe that the landscaping (trees) would offset the impact.

Eric Clow, resident, Planning Commissioner, concurred with the comments of Commissioner Collins. The design of the home had a three story façade and could potentially set a precedent. He did not believe that the proposed planter would mitigate the appearance.

Yang Chiang Yuan, Laura Court, stated that he welcomed the Nashashibis to the neighborhood. He noted that when he built his new residence, he had been required to meet all of the zoning requirements. He did not receive any exceptions and he believed that exceptions should only be granted when warranted for justified reasons.

Nat Gorman, resident, neighbor of the Nashashibis, offered that he did not object to the project. However, he strongly opposed the proposed new pathway. He voiced his concerns about potential fires and safety issues and believed paths were an unfunded liability for the Town. The new proposed pathway would be located within twenty feet of his home and the Kumar residence. Gorman added that he favored the current pathway in front of the Nashashibi property.

Mayor Kerr noted that the referenced "current" pathway was no longer an approved pathway. It was removed from the Master Path Map during the previous update to the General Plan Master Map Plan.

Devendra Kumar, Laura Court, stated that he concurred with the comments of Gorman and opposed the proposed new pathway.

CLOSED PUBLIC HEARING

Council Discussion:

Councilmember Summit stated that she appreciated the efforts of the applicant, however the three story façade of the residence had not been addressed and she could not support approval of the site development permit.

Councilmember Warshawsky commented that he had visited the two acre site. He noted that it was proposed for the quarry area (neighborhood) that has its own distinct character. Warshawsky acknowledged the efforts of the applicant to reduce the grading on the site. He understood the neighbors concerns regarding the visible impact from the home but believed that it could be mitigated by landscaping.

Mayor Pro Tem Larsen commented that he could not support the project. He referenced the grading exception that had not been fully addressed by the re-submittal and the three story façade of the residence.

Councilmember Mordo commented that he had been disappointed with the re-submittal. He offered that the City Council had provided clear direction to the applicant to “substantially comply” with the Town’s Grading Policy and he did not believe that they had complied with the direction. The application still required a large cut and the site did not warrant the exception. Mordo noted that exceptions could be granted if the lot topography or the presence of a creek or heritage trees that required protection and restricted the building site. However, the grading exception and excessive excavation required for this project was driven by the size and design of the house. He did not support approval of the site development permit for the new residence.

Mayor Kerr appreciated the applicants’ efforts to build a green home but could not support approval of the site development permit request.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Larsen and passed by the following roll call vote to deny the request for a Site Development Permit for a new residence based on the findings for denial included in the staff report dated July 15, 2010:

AYES: Mayor Kerr, Mayor Pro Tem Larsen, Councilmember Mordo and Councilmember Summit
NOES: Councilmember Warshawsky
ABSENT: None
ABSTAIN: None

COUNCIL RECESS: 11:00 P.M.

COUNCIL RECONVENED TO OPEN SESSION: 11:10 P.M.

16. LANDS OF INCERPI FAMILY SURVIVOR’S TRUST, (APN 336-20-033), 24500 Voorhees Drive; File #228-09-IS-TM-ND; Consideration of a Two Lot Subdivision CEQA Review: Mitigated Negative Declaration (Staff: D. Pedro).

Planning Director Debbie Pedro introduced the item to the City Council. The applicant was requesting approval of a two-lot subdivision of a 2.951 net acre parcel. The proposed subdivision was in compliance with Title 9, Chapter 1 of the Los Altos Hill Municipal Code. The Planning Commission had reviewed the proposed two-lot subdivision at their June 3, 2010 meeting and voted unanimously to recommend approval of the project.

Pedro proceeded with a PowerPoint presentation that included: an aerial vicinity map; site plan of the existing lot with the current single story residence shown on the site plan; proposed subdivision map with conceptual development plans for Parcel #2, parcel development data with details for each parcel; and photos of the property.

Pedro reviewed the easement requirements for the subdivision. She noted that the current garage would be removed and a new car port built to meet the parking requirements for the site prior to the recordation of the final map.

OPENED PUBLIC HEARING

No public comments.

CLOSED PUBLIC HEARING

MOTION SECONDED AND CARRIED: Moved by Larsen, seconded by Warshawsky and passed unanimously to adopt the Mitigated Negative Declaration and Mitigation Monitoring Program and approve the Tentative Map based on the findings in Attachment 2 of the staff report and subject to the conditions of approval in Attachment 1.

17. LANDS OF LOS ALTOS HILLS/WESTWIND BARN (Applicant: VERIZON WIRELESS), 27210 Altamont Road; File #16-10-CUP; A request for a Conditional Use Permit renewal for an existing/previously approved wireless communications facility. The facility consists of ground cabinets and nine (9) panel antennas mounted to a tree pole; Original File #177-05. No change is being proposed to the existing buildings, structures or use of the facilities. CEQA review: exempt per 15301 (a) (Staff: D. Pedro).

Associate Planner Brian Froelich introduced the item to the City Council. Council had before them a request for a renewal of the Conditional Use Permit and extension of the time period between renewals from five years to ten years in compliance with Government Code Section 65964 (b) subject to the Conditions of Approval in attachment #1 of the staff report dated July 15, 2010.

The Planning Commission had reviewed the CUP renewal request at their May 6, 2010 meeting and voted 4-0-1 with Commissioner Partridge recusing himself from consideration of the item due to a potential conflict of interest.

OPENED PUBLIC HEARING

Crystal Wood, Verizon representative, commented that she was available to answer questions.

CLOSED PUBLIC HEARING

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Summit and passed unanimously to approve the request for the Conditional Use Permit renewal for a term of ten years.

UNFINISHED BUSINESS

18. Town Goals

- Environmental Leadership and Outstanding Recreational Facilities

No report was given.

19. Community Service Agency Program Recommendations (Staff: N. Pegueros)

Finance Director Nick Pegueros introduced the item to Council. Annually, the City Council receives requests from community service agencies for grant monies to support programs that directly benefit the residents of the Town. Over the past five years, both the number of applicants and the total funding requested has more than doubled. At their May 20, 2010 meeting, the City Council had directed staff to identify criteria that would assist in prioritizing contributions to community service agencies.

Council had before them a community service agency program that identified two major categories of grant recipients: Non-Profit partners and Non-Profit Associations. Using the roster of grant recipients from 2009-2010, Pegueros had sorted the recipients into one of two categories. The “Partners” were agencies that provided services to Town residents that would otherwise be cost prohibitive for the Town to organize and manage on its own. For example, Wildlife Rescue assists with wildlife in distress not covered by the Town’s contract with the City of Palo Alto. The list included 7 of the 9 agencies that have received grants from the Town each year since 2002-2003. The second group, Non-Profit Associations, was comprised of agencies that provided services outside the scope of a traditional full-service municipality. Included in the staff report was a recommended agency classification list and a list of the 2009-2010 grant awards.

Council discussion ensued. There was a consensus of the City Council to move forward with the grant program as defined by the Finance Director. Council recommended the Non-Profit Partners award amount for 2010-11 be determined by using the average of the past five year’s grants (for each recipient). Non-partner associations would be awarded \$1,000 each. The awards would be limited to the budgeted total. If there were more applicants than the funded amount, recipients would be ranked/selected with a majority vote of the council (three votes) to receive a grant. Grants would be voted on a first-come basis. Staff was directed to contact the previous participants to advise them of the new format that would be used for this year’s grant awards and return to the City Council at the next meeting with implementation of the program.

City Manager Cahill suggested that a request be made to the recipients of the grants to acknowledge the Town as a sponsor on their website. Council concurred.

20. Update on Moody Road Area Parking (Verbal Report) (Staff: R. Chiu)

City Engineer/Public Works Director Richard Chiu provided an update on the Moody Road parking issues. The City Council at their May 20, 2010 meeting directed staff to move forward on a “No Parking” program for Moody Road. Staff has sent letters to residents in the area notifying them that the Town has identified Moody Road as a “No Parking” area. Additionally, the Town was investigating the establishment of a Preferential Parking District on Bledsoe Court. Staff expected comments to be returned prior to the next Council meeting. The item will return to Council at their next meeting for their consideration.

NEW BUSINESS

21. Authorization to Fund the Town’s California Public Employees’ Retirement System Pension Side Fund Liability (Staff: N. Pegueros)

Councilmember Mordo provided an overview of the agenda item to Council. In the coming year, the Town investments were projected to have a yield of approximately 1%. The Town is charged an interest rate exceeding 7% by CalPERS for the side fund liability. Council had before them a staff report from the Finance Director outlining the origination of the side fund and an overview of the liability. Included in the staff report was a report from the Town’s investment advisor, Bartel & Associates on CalPERS Actuarial Issues.

Council reviewed the advantages of funding the Town’s pension side fund liability. The expenditure would be allocated to the Town’s unreserved, undesignated fund balance. It was noted that the Finance and Investment Committee supported the payment.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Larsen and passed unanimously to authorize Town staff to issue payment to California Public Employee’s Retirement System (CalPERS) in the amount of \$637,320 to fund the Town’s pension side fund liability.

PLANNING COMMISSION REPORT

22. Notification of Planning Commission Approval: LANDS OF ZIOHANA 693 LLC, 14160 Donelson Place: A request for a Site Development Permit for a New Two-Story Residence with a basement, swimming pool and pool house. CEQA review – Categorical Exemption Section 15303 (a) & (e)

Planning Director Debbie Pedro advised the City Council that the Planning Commission at their regular meeting of June 3, 2010 had approved by unanimous vote the subject application. Council had before them a copy of the staff report to the Planning Commission and the Conditions of Approval for the project.

REPORTS FROM COMMITTEES, SUB-COMMITTEES, AND COUNCILMEMBERS ON OUTSIDE AGENCIES

Mayor Pro Tem Larsen advised the City Council that the VTA was sending a letter of support for continued funding of Caltrain.

STAFF REPORTS

City Manager:

City Manager Cahill reported that the Los Altos Hills County Fire District had approved an allocation of \$25,000 to assist the Town in the dead tree removal program at Byrne Preserve.

City Attorney

City Clerk

No reports were given.

COUNCIL INITIATED ITEMS

No Items Scheduled

ADJOURNMENT

There being no further business, the meeting was adjourned by consensus of the City Council at 11:30 p.m.

Respectfully submitted,

Karen Jost

City Clerk

The June 17, 2010 minutes of the regular City Council meeting were approved as presented at the July 15, 2010 regular City Council meeting.